

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
(LETTERHEAD - ADDRESS)

3104 (Office Code)

Lease Serial No

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

Name and Address of Surety

Gentlemen

By certified letter dated (Date), this office ordered (Name of operator) to properly plug and abandon well number on lease (Serial number and legal description). The order required plans for plugging and abandonment to be submitted within 30 days from receipt of the notice and that the actual plugging be completed within days. The return receipt card for the certified letter containing these orders shows that the operator received the letter on (Date). Plans for plugging and abandonment were due in our office (Date), and the actual plugging was to be completed by (Date).

Because (Name of operator) has not complied with the orders contained in the certified letter, and (Name of surety) is the surety for the bond guaranteeing compliance with the lease terms, including plugging operations, (Name of surety) must perform one of the following actions:

1. Require the operator or lessee to submit plans for plugging well number within 30 days from receipt of this notice. Upon approval of these plans by the BLM, require the operator to commence plugging operations within 60 days and diligently continue until completed; or
2. Within 60 days, enter into a contract such that the plugging of well number will commence within 90 days and diligently continue until completed. The plugging program must be approved by the BLM; or
3. Authorize, in writing, within 60 days, for the BLM to act as the Surety's agent to contract and oversee the plugging of well number . Written authorization must acknowledge that the contractor will directly bill the surety for payment, and that the surety will pay the BLM an additional 25 percent for administrative costs as specified in the regulations at 43 CFR 3163.1(a)(4), with the total costs incurred not to exceed the bond(s) face amount(s).

If none of the above actions are commenced within the specified times, the United States will take action to attach the following bonds for the costs of plugging well number _____ plus an additional 25 percent for administrative costs: (List applicable bonds, with surety identification numbers, names of principals and BLM bond numbers).

Sincerely,

Authorized Officer

Distribution:

Operator
Lessee(s) (if other than the operator)
State Office Fluid Leasing Adjudication
Lease Case File